

Message Text

PAGE 01 STATE 241424

14
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INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

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COME-00 TRSE-00 CU-02 SIG-01 IO-13 ACDA-07 EB-07

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COMMERCE:WHITELY

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FM SECSTATE WASHDC
TO AMEMBASSY BONN
INFO ALL EUROPEAN DIPLOMATIC POSTS
AMCONSUL BREMEN
AMCONSUL DUSSELDORF
AMCONSUL FRANKFURT
AMCONSUL HAMBURG
AMCONSUL MUNICH
AMCONSUL STUTTGART
USCINCEUR
CINCUSAREUR
CINCUSAFE
USNMR SHAPE

C O N F I D E N T I A L STATE 241424

E.O. 11652: GDS

TAGS: PFOR, GW, US

CONFIDENTIAL

PAGE 02 STATE 241424

SUBJECT: FEDERAL REPUBLIC OF GERMANY: US POLICY GUIDELINES

REF: STATE 253497 (DTG 241645 Z OCT 75) NOTAL,
BONN 9150 (DTG 281715 Z MAY 76)

1. THE FOLLOWING STATEMENT OF US POLICY VIS-A-VIS THE FRG IS THE RESULT OF INTER-AGENCY CONSIDERATION OF THE EMBASSY'S ANNUAL POLICY ASSESSMENT (REFTEL). IT IS INTENDED TO SERVE AS THE BASIC STATEMENT OF AMERICAN POLICY TOWARD THE FRG FOR THE COMING YEAR.

2. THE LAST STATEMENT OF FRG-US POLICY GUIDELINES WAS CONTAINED IN STATE 253497 (OCTOBER 24, 1975). AS NOTED IN THE EMBASSY'S ASSESSMENT (BONN 9150 OF MAY 28, 1976), THE PAST YEAR HAS SEEN US-FRG RELATIONS DEVELOP ESSENTIALLY ALONG THE POSITIVE PATH OUTLINED LAST OCTOBER. A MAJOR EFFORT HAS INDEED BEEN MADE ON BOTH SIDES TO ACHIEVE A GREATER IDENTITY OF VIEWS BETWEEN OUR COUNTRIES ON MAJOR ECONOMIC, POLITICAL AND SECURITY ISSUES. AT THE SAME TIME WE HAVE BOTH RECOGNIZED THE NEED TO AVOID REFERENCES TO ANY SPECIAL OR PRIVILEGED CHARACTER OF US-FRG TIES. THE US HAS SUPPORTED INCREASED FRG ACTIVITIES IN INTERNATIONAL ORGANIZATIONS, IN THE THIRD WORLD AND IN OTHER PARTS OF EUROPE. AT THE SAME TIME WE HAVE NOT PUSHED THE FRG, TO QUOTE FROM THE DEPARTMENT'S POLICY GUIDELINES OF LAST OCTOBER, "TO TAKE STEPS WHICH IT BELIEVES ARE INCOMPATIBLE WITH ITS EFFORTS TO ESTABLISH COOPERATIVE RELATIONS WITH ITS NEIGHBORS IN EAST AND WEST."

3. THE NATURE OF BILATERAL FRG-US RELATIONS: THE EMBASSY'S ASSESSMENT DISCUSSED AT LENGTH THE MANY COGENT REASONS WHY THE US AND THE FRG HAVE VERY CLOSE RELATIONS TODAY. THESE FACTORS MAY BE BRIEFLY SUMMARIZED AS FOLLOWS:

--A MULTI-FACETED SECURITY RELATIONSHIP MUTUALLY REGARDED AND DESCRIBED (MOST RECENTLY DURING THE JULY VISIT OF CHANCELLOR SCHMIDT) AS INTERDEPENDENT.

--REALIZATION THAT OUR COOPERATION IN INTERNATIONAL ECONOMIC QUESTIONS CAN GO A LONG WAY TOWARD IDENTIFICATION OF SOLUTIONS TO IMPORTANT ISSUES BOTH AMONG WESTERN
CONFIDENTIAL

PAGE 03 STATE 241424

NATIONS AND IN THE NORTH-SOUTH DIALOG.

--MUTUAL RESPECT FOR DEMOCRATIC GOVERNMENT AND A FREE ECONOMIC SYSTEM.

--THE MUTUAL RECOGNITION THAT BOTH COUNTRIES POSSESS POLITICAL STABILITY AND COMMONALITY OF PURPOSE AMONG MAJOR POLITICAL PARTIES, AS EVIDENCED BY MINIMUM OF CONCERN OVER A POSSIBLE CHANGE IN GOVERNMENT IN EITHER COUNTRY LATER THIS YEAR.

--STRONG CULTURAL AND HISTORICAL TIES AS WITNESSED IN FRG COMMEMORATION OF OUR BICENTENNIAL.

4. GERMAN POLITICAL STABILITY: FOR THE FIRST TIME THE EMBASSY'S ANALYSIS DID NOT CONCENTRATE ON THE CONCERNS ABOUT THE RESILIENCY OF GERMAN DEMOCRACY AND GERMAN ALLEGIANCE TO THE WEST WHICH HAVE USUALLY BEEN A PRIME FOCUS OF PAST ASSESSMENTS. GERMAN DEMOCRACY HAS GROWN SOLID ROOTS, BEST REFLECTED BY THE FACT THAT A CHANGE OF GOVERNMENT CAN BE CONTEMPLATED IN THE OCTOBER PARLIAMENTARY ELECTIONS WITHOUT RAISING CONCERNS OVER THE LONG-TERM STABILITY OF THE POLITICAL SYSTEM AND PUBLIC SUPPORT THEREOF. EVEN THE CONTINUING PUBLIC DEBATE OVER EMPLOYMENT OF RADICALS IN THE PUBLIC SERVICE CAN BE VIEWED AS A SIGN OF GERMAN DEMOCRACY'S COMING OF AGE. SINCE THE FRG IS CAPABLE OF FINDING ITS WAY, THE US SHOULD CONTINUE TO REMAIN OUTSIDE THE OVER-DRAMATIZED EUROPEAN CONTROVERSIES REVOLVING AROUND THE "UGLY GERMAN" THEME THAT HAVE EMERGED OVER THE PAST FEW MONTHS, AND WE INTEND TO REFRAIN FROM ANY COMMENT ON IT.

EMBASSY BONN SHOULD OF COURSE CONTINUE TO GIVE THIS MATTER FULL REPORTING TREATMENT.

ANOTHER MANIFESTATION OF GERMANY'S "COMING OF AGE" IS THE PHENOMENON THAT RELATIVELY HIGH UNEMPLOYMENT AND INFLATION HAVE NOT CAUSED THE SOCIAL DISLOCATION AND POLITICAL UNREST THAT MANY FEARED, GIVEN LONG GERMAN MEMORIES. WHETHER IT WAS BECAUSE THE "INVETERATE
CONFIDENTIAL

PAGE 04 STATE 241424

GERMAN TRAVELERS" KNEW THAT MOST OTHER EUROPEANS HAD MUCH WORSE PROBLEMS OR WHETHER IT WAS DUE PRIMARILY TO A CUSHIONING EFFECT BY THE FRG'S SOCIAL WELFARE SYSTEM AND GENERAL PROSPERITY, AN OUTSTANDING FEATURE OF FRG LIFE THROUGH TWO YEARS OF INFLATION AND RECESSION HAS BEEN SOCIAL RESILIENCY. WE REALIZE THAT YOUTH UNEMPLOYMENT REMAINS A VEXING PROBLEM, HOWEVER, ALONG WITH RESTRICTIONS ON UNIVERSITY ATTENDANCE.

5. THE GERMAN INTERNATIONAL ROLE: THE MAJOR QUESTION RAISED IN THE EMBASSY'S ASSESSMENT AND DISCUSSED IN THE INTER-AGENCY MEETING CONCERNS THE EVOLUTION OF GERMAN FOREIGN POLICY. FRG INTERESTS AND ACTIVITIES CONTINUE TO CENTER AROUND THE TWIN COLUMNS OF THE US AND EUROPE. AT THE SAME TIME, HOWEVER, THE FRG HAS BEEN MOVING INTO A NEW ERA IN WORLD RELATIONS AND INTO A NEW PHASE OF THE GERMAN INTERNATIONAL ROLE. OSTPOLITIK WAS VERY ACTIVE IN THE EARLY SEVENTIES BUT HAS SINCE SLOWED. FRG RELATIONS WITH THE THIRD WORLD (ESPECIALLY THE ARABS) BECAME MORE INTENSE, BOTH BILATERALLY AND THROUGH THE EC-9, FOLLOWING THE OCTOBER 1973 MIDEAST WAR AND OIL CRISIS. THE MAJOR CHALLENGE FOR US IS HOW TO ADJUST OUR RELATIONSHIP SUCCESSFULLY AS THE FRG

MOVES INTO THIS NEW ERA, WORKING IN COOPERATION WHERE

POSSIBLE AND AVERTING DISSENSION IN CASES OF
DIVERGING NATIONAL INTERESTS. SO FAR, THE FRG'S
ENHANCED ROLE ON THE WORLD STAGE HAS PRESENTED US FAR
MORE OPPORTUNITIES AND BENEFITS THAN PROBLEMS.

WHETHER IT WANTS TO OR NOT, THE FRG IS PLAYING A MORE

VISIBLE ROLE AND DOING MORE. IN MANY CASES (STATEMENTS

ON ANGOLA AND SOUTHERN AFRICA, AID TO EGYPT, DEMARCHES
WITH GREECE AND TURKEY, ETC.) THIS IS IN RESPONSE TO
SPECIFIC US REQUESTS OR EXPRESSIONS OF INTEREST .
SO FAR, THE SATURATION POINT IN FRG RESPONSIVENESS DOES
NOT APPEAR TO HAVE BEEN REACHED, BUT THERE EXISTS A
GREATER NEED FOR USG INTERNAL COORDINATION AND DISCRIMINA-
CONFIDENTIAL

PAGE 05 STATE 241424

TION IN ORDER TO AVOID UNPRODUCTIVE "OVERKILL." NOR ARE
FRG INFLUENCE AND GOOD WILL UNLIMITED IN VARIOUS PARTS
OF THE WORLD. POLITICALLY, THE FRG IS CONCERNED LEST
IT BE DRAWN AGAINST ITS WILL INTO COMPENSATING FOR
CURRENT WESTERN WEAKNESSES AND INTO AN UNDULY
PROMINENT AND EXPOSED INTERNATIONAL POSTURE. GIVEN
THE MANY POLITICAL AND ECONOMIC IMponderables IN
TODAY'S WORLD, WE SHOULD KEEP SOME GERMAN RESERVES
FOR TRULY RAINY DAYS. AT THE VERY LEAST, THE USG MUST
BEGIN MORE CONSCIOUSLY TO CONSIDER PRIORITIES
AND TRADEOFFS WHEN FORMULATING REQUESTS OF THE FRG.

IN A SENSE, CHANCELLOR SCHMIDT AND OPPOSITION CHANCELLOR
CANDIDATE KOHL REPRESENT DIFFERENT STYLES: THE FORMER
CLEARLY BELIEVES THE FRG HAS A ROLE TO PLAY AND A DUTY
TO SPEAK OUT ON IMPORTANT INTERNATIONAL ISSUES. THE
MORE INTROSPECTIVE KOHL HAS CONCENTRATED HIS ATTENTION
ON ISSUES CLOSER TO HOME, LIKE CENTRAL EUROPE AND NATO,
BUT THIS PROBABLY REFLECTS HIS MORE PAROCHIAL POLITICAL
RESPONSIBILITIES. WE AWAIT WITH INTEREST EMBASSY BONN'S
ANALYSES OF THE EFFECT OF THE OCTOBER 3 ELECTION RESULTS
ON THE FRG'S APPROACH TO ITS INTERNATIONAL ROLE.

A. ECONOMIC: THE FRG CONTINUES TO COOPERATE CLOSELY
WITH THE US IN SUCH INTERNATIONAL ECONOMIC ENDEAVORS AS
CIEC, THE IEA AND AT SUCH AD HOC GATHERINGS AS UNCTAD AND
THE TWO ECONOMIC SUMMITS. TO DATE, DIFFERENCES OF
APPROACH OR AIM HAVE BEEN RELATIVELY MINOR COMPARED TO
THE BENEFITS THIS COUNTRY HAS GAINED FROM HAVING THE
WORKING SUPPORT OF THE FRG. WITH NO SIGN YET VISIBLE
THAT DISAGREEMENT IN THE NORTH-SOUTH DIALOG WILL
ABATE, IT IS IMPORTANT FOR US TO RETAIN FRG COOPERATION,

NOT ONLY BECAUSE OF THE POSITIVE CONTRIBUTION THE ECONOMIC AND FINANCIAL POWER OF THE FRG BRINGS, BUT ALSO TO HELP US AVOID WHAT SOMETIMES THREATENS TO BE A SENSITIVE AND EMBARRASSING MINORITY POSITION VIS-A-VIS THE LESS DEVELOPED COUNTRIES AND MANY DEVELOPED ONES. ONE CAN ONLY REITERATE THE OBVIOUS: OUR PRESENT HIGH DEGREE OF CONSULTATION WITH THE FRG MUST BE MAINTAINED. AT THE SAME TIME WE MUST BE PREPARED TO LISTEN CAREFULLY WHEN THE FRG ITSELF HAS PARTICULAR CONCERNS. TO
CONFIDENTIAL

PAGE 06 STATE 241424

DATE, THESE HAVE REVOLVED AROUND NUCLEAR TECHNOLOGY EXPORT MATTERS AND FISHERIES AND SEABED MINING ASPECTS OF THE LAW OF THE SEA PROBLEM. AT THE SAME TIME WE SHOULD NOT LOSE SIGHT OF THE FACT THAT WE POSSESS ULTIMATE ECONOMIC LEVERAGE WHICH THE FRG LACKS IN THAT THE US IF PRESSED COULD IN FACT GO IT ALONE AND SURVIVE ECONOMICALLY.

B. POLITICAL/MILITARY: THE FRG REMAINS FUNDAMENTALLY DEPENDENT ON THE US SECURITY GUARANTEE AND ON ITS CONCRETE MANIFESTATION IN THE SUBSTANTIAL US FORCE PRESENCE IN GERMANY. AT THE SAME TIME THOSE US FORCES ALSO CONTRIBUTE SIGNIFICANTLY TO US NATIONAL SECURITY. FOR ITS PART THE FRG CONTINUES TO MAKE MAJOR EFFORTS TO CARRY ITS FAIR SHARE OF THE ALLIANCE DEFENSE BURDEN. THE NOW-MATURED BUNDESWEHR IS CLEARLY THE LEADING CONVENTIONAL ARMED FORCE IN NATO EUROPE, COMPRISING ABOUT 50 PERCENT OF TOTAL WESTERN FORCES IN THE NATO GUIDELINES AREA. YET THE US AND THE FRG WILL BE CHALLENGED TO ACCOMMODATE GROWING RELATIVE GERMAN STRENGTH WITH THE LATENT AND UNDERSTANDABLE ENVY AND CONCERN OF OTHER EUROPEANS. GIVEN THE CONTINUED RECOGNITION AMONG GERMAN GOVERNMENT AND OPPOSITION LEADERS THAT THE FRG HAS TO PROCEED CAREFULLY AND TO AVOID HIGHLIGHTING A "SPECIAL RELATIONSHIP" BETWEEN THE FRG AND US, OR GIVING THE IMPRESSION THAT NATO IS BECOMING A US-FRG DOMINATED ALLIANCE, THIS PROBLEM SHOULD BE MANAGEABLE. THE US, FOR ITS PART, MUST BE READY TO PLAY A MODERATING ROLE IN THE ALLIANCE, IN THE UNLIKELY EVENT THAT THIS BECOMES UNNECESSARY. AT THE SAME TIME, THE US NEED NOT VIEW AN ENHANCED FRG ROLE OR THE PRESENT RELATIVE WEAKNESS OF CERTAIN EUROPEAN ALLIES AS PERMANENT CONDITIONS. FOR THE NEAR TERM, THERE IS NO REASON WHY WE SHOULD NOT FIND OURSELVES IN BASIC AGREEMENT WITH WHAT HAS EMERGED AS A BASIC TENET OF FRG POLICY: MEASUREMENT OF COURSES OF ACTION AGAINST THE STANDARD OF PROMOTING NATO ALLIANCE AND/OR STRENGTHENING THE EUROPEAN COMMUNITY. FOR OUR PART, WE WILL NEED TO BE CIRCUMSPECT IN BALANCING OUR IMPORTANT OBJECTIVES IN SALT AND IN EAST-WEST NEGOTIATIONS SUCH AS MBFR AND CSCE WITH VITAL FRG INTERESTS, CONSULTING CLOSELY

CONFIDENTIAL

PAGE 07 STATE 241424

ALONG THE WAY.

THE JULY 17 STATEMENT OF PRESIDENT FORD AND CHANCELLOR SCHMIDT ON MUTUAL DEFENSE ISSUES IS A DIRECT REFLECTION OF OUR INTERDEPENDENCE IN THE SECURITY SPHERE:

-- THE FRG IS CONTRIBUTING 68 MILLION DOLLARS TOWARD RELOCATION OF A US COMBAT BRIGADE INTO NORTHAG TO ASSIST IN STRENGTHENING NATO DEFENSES;

-- THE FRG WILL CONTINUE TO PURCHASE SUBSTANTIAL AMOUNTS OF MILITARY EQUIPMENT IN THE US;

-- THE FRG WILL CONTINUE TO MAINTAIN ITS DEFENSE FORCES IN A STATE OF COMBAT READINESS EQUAL TO THE TASKS BEFORE IT;

-- FLEXIBLE EXCHANGE RATES, THE NOTABLY IMPROVED STRENGTH OF THE DOLLAR AND A MORE ACCEPTABLE US BALANCE OF PAYMENTS POSITION HAVE OBIATED THE NEED FOR

TRADITIONAL OFFSET ARRANGEMENTS.

THIS MEETING OF THE MINDS ELIMINATED TWO POTENTIALLY SERIOUS BONES OF CONTENTION BETWEEN US, ALTHOUGH IT HAS NOT ELIMINATED THE NEED FOR CONTINUED, CLOSE BILATERAL CONSULTATIONS ON PROJECTS OF MUTUAL DEFENSE BENEFIT OR THE POSSIBILITY OF "NON-TRADITIONAL" OFFSET TYPE ARRANGEMENTS IN THE FUTURE, SHOULD INTERNATIONAL ECONOMIC CONDITIONS MAKE THEM NECESSARY.

THE STAGE IS NOW SET FOR US-FRG LEADERSHIP, WITHIN RECOGNIZED LIMITS, TO PURSUE HIGHLY DESIRABLE NATO GOALS OF STANDARDIZATION AND INTEROPERABILITY, WHICH OFFER THE POSSIBILITY OF MORE EFFECTIVE DEFENSE CAPABILITY PER DOLLAR OR D-MARK. THE RUMSFELD-LEBER UNDERSTANDING ON TANK HARMONIZATION, IN SPITE OF SOME CRITICISM IN BOTH COUNTRIES--AND IN THE UK--IS AN IMPORTANT STEP IN THIS DIRECTION. US BONA FIDES WILL BE SCRUTINIZED BY THE GERMANS AS THE ARRANGEMENT IS IMPLEMENTED.

CONFIDENTIAL

PAGE 08 STATE 241424

NATO'S PROCUREMENT OF AN ADEQUATE NUMBER OF AWACS AIRCRAFT IS NECESSARY TO ENSURE THAT THE ALLIES CAN EXERCISE IN ANY CONFLICT THE MOST EFFECTIVE COMMAND AND CONTROL OF THEIR GROUND, NAVAL AND AIR FORCES. THE US WILL CONTINUE TO SEEK FRG SUPPORT, ALONG WITH

THAT OF OTHER ALLIES, FOR AWACS AND IN OBTAINING ACTIVE ALLIED PARTICIPATION IN THIS KEY PROGRAM.

6. THREE AREAS OF CHALLENGE AND OPPORTUNITY:

A. NUCLEAR TECHNOLOGY EXPORTS: AS PART OF OUR EFFORT TO LIMIT NUCLEAR PROLIFERATION WE HAVE LONG MADE KNOWN TO THE FRG AND OTHER COUNTRIES OUR CONCERNS OVER ADEQUATE SAFEGUARDS IN NUCLEAR ENERGY AGREEMENTS. A NEW AND EXCEEDINGLY TROUBLESOME ELEMENT IS THE SALE OF SENSITIVE TECHNOLOGIES SUCH AS FUEL REPROCESSING AND URANIUM ENRICHMENT, BEST EXEMPLIFIED IN THE 1975 FRG-BRAZILIAN AGREEMENT. AFTER MORE THAN A YEAR OF VOICING CONCERN TO THE FRG OVER ITS ACTUAL OR PROPOSED ARRANGEMENTS WITH BRAZIL, IRAN AND PAKISTAN--A YEAR ALSO MARKED BY COOPERATION ON THE LONDON NUCLEAR SUPPLIER GUIDELINES--SOMETHING OF A STANDOFF HAS BEEN REACHED,

ALTHOUGH THE IRAN DEAL IN EFFECT DELAYS REPROCESSING ASSISTANCE. THE FRG NOW BETTER UNDERSTANDS THAT OUR MOTIVATION IS NOT ONE OF COMMERCIAL RIVALRY, BUT RATHER GENUINE CONCERN OVER NUCLEAR PROLIFERATION. THE FRG ALSO HAS A BETTER GAUGE ON CONGRESSIONAL SENTIMENTS. STILL, THE FRG IS BOUND AND DETERMINED TO FOSTER ITS NUCLEAR INDUSTRY, WHILE IN THE US PUBLIC AND CONGRESSIONAL FEARS CONCERNING PROLIFERATION ARE GROWING. IT IS UNDERSTANDABLE, THEREFORE, WHY THE ISSUE IS COMMONLY SEEN AS OUR MAJOR BILATERAL PROBLEM TODAY.

WE WILL HAVE TO CONTINUE TO MAKE OUR CONCERNS KNOWN AT THE HIGHEST LEVELS AND TO FURTHER REDUCE BONN'S FEAR OF COMMERCIAL DISADVANTAGE, SO THAT WE CAN OBTAIN (A) BETTER SAFEGUARDS AS A MINIMUM AND/OR (B) FRG COOPERATION IN MULTILATERALIZING FUEL REPROCESSING. AT THE SAME TIME IT IS USEFUL TO US THAT THE FRG SHOULD EXERT CONFIDENTIAL

PAGE 09 STATE 241424

MAJOR INFLUENCE AND PLAY A SUPPORTIVE ROLE TO US POLICIES IN THE THIRD WORLD BECAUSE OF ITS NON-COLONIAL AURA AND ECONOMIC PROWESS. THIRD WORLD COUNTRIES HAVE URGED AND EXPECT THE FRG TO SHARE NUCLEAR TECHNOLOGY WITH THEM. AT THE SAME TIME THIS NEED NOT, AND SHOULD NOT, INCLUDE UNILATERAL OFFERS OF FUEL REPROCESSING AND URANIUM ENRICHMENT CAPABILITIES.

B. THE FRG, BERLIN, THE GDR AND RELATIONS WITH THE EAST: THE EMBASSY USEFULLY EXPLORED IN DETAIL THE POLITICAL INHIBITIONS THE FRG EXPERIENCES BECAUSE IT IS MORE VULNERABLE TO SOVIET PRESSURE AND BLANDISHMENTS THAN ANY OTHER MAJOR WESTERN EUROPEAN POWER, AND ESPECIALLY BECAUSE OF ITS EXISTENCE AS A DIVIDED NATION.

WHILE THE FRG IS MOVING ABOUT MORE ON THE WORLD STAGE, ITS BASIC FRUSTRATION AND DISSATISFACTION OVER "GERMANY" REMAINS, EVEN IF IN A MORE PASSIVE SENSE. WHILE THE FRG CONTINUES TO INSIST THAT THE GERMAN NATIONAL QUESTION REMAIN OPEN, THE ISSUE OF GERMAN REUNIFICATION HAS PLAYED AN INCREASINGLY REDUCED POLITICAL AND FOREIGN POLICY ROLE IN FRG POLITICAL LIFE SINCE THE 1971-72 TREATIES. YET WE SHOULD WATCH CAREFULLY THE SIDE-EFFECTS, IF ANY, OF INCREASING GERMAN "INTERNATIONAL SELF-CONFIDENCE" ON INCREASED INTEREST IN THE GERMAN NATIONAL QUESTION AND BERLIN. WE MUST ASSUME THAT THE USSR-AND-GDR, IN TANDEM OR SEPARATELY, WILL CONTINUE TO CHALLENGE THE CONCEPT OF "ONE GERMAN NATION" AND THE FRG'S REPRESENTATION OF, AND TIES WITH, WEST BERLIN.

OUR BASIC POLICY REMAINS VALID FOR THE PERIOD AHEAD: WE SHOULD CONTINUE TO SUPPORT FRG EFFORTS TO REMOVE BARRIERS BETWEEN THE TWO PARTS OF GERMANY, BUT NOT TO THE POINT WHERE EFFORTS TO ACHIEVE THE LONG-TERM AIM OF FREE SELF-DETERMINATION OF THE GERMAN PEOPLE COULD LEAD TO DANGEROUS INSTABILITY IN CENTRAL EUROPE. WE MUST BE PREPARED ON OCCASION TO TAKE ISSUE WITH THE FRG'S PENCHANT FOR FINDING MORE THAN MERITED DISSATISFACTION WITH THE SITUATION IN BERLIN.

AS RECENT EVENTS ON THE BERLIN TRANSIT ROUTES AND ALONG
CONFIDENTIAL

PAGE 10 STATE 241424

THE FRG-GDR BORDER SO VIVIDLY INDICATE, FRG-GDR RELATIONS WILL CONTINUE TO HAVE THEIR UPS AND DOWNS. WE SHOULD REITERATE TO BONN AS APPROPRIATE OUR INSISTENCE ON BEING INFORMED AND FULLY CONSULTED IN TIMELY FASHION REGARDING ANY NEGOTIATIONS IMPINGING ON ALLIED RIGHTS IN BERLIN. OF SOMEWHAT BROADER INTEREST, OUR CLOSE RELATIONS REQUIRE THAT WE INFORM THE FRG OF IMPORTANT FACETS OF US-USSR CONTACTS (E.G. SALT) AND COOPERATE WITH THE FRG IN FORMULATING WESTERN POSITIONS ON MBFR AND OTHER EAST-WEST SECURITY QUESTIONS. BY THE SAME TOKEN, WE MUST MAKE IT CLEAR TO THE FRG THAT WE EXPECT TO BE TOLD OF THE SCOPE OF ANY IMPORTANT IMPENDING MOVEMENT IN SOVIET-FRG NEGOTIATIONS. ANOTHER MATTER OF MUTUAL INTEREST IS CSCE EVALUATION AND FOLLOW-UP. RECENTLY EXPRESSED FRG SATISFACTION WITH SOVIET LIBERALIZATION IN FAMILY REUNIFICATION POLICY WAS PUZZLING AND DISAPPOINTING TO US AND HAS CAST SOME DOUBT ON THE FRG'S OVERALL EVALUATION. GIVEN OUR COMMON INTERESTS IN THE CSCE PROJECT, HOWEVER, CLOSE CONSULTATION IN NATO AND BILATERALLY SHOULD ENSURE THAT A UNIFIED WESTERN APPROACH IS ACHIEVED FOR THE BELGRADE CONFERENCE.

C. THE FRG IN THE UN: FOR A VARIETY OF REASONS THE

FRG HAS PUBLICLY ESPOUSED A UN CONVENTION ON PROSECUTION OF TERRORISTS TAKING HOSTAGES AND THE CREATION OF A UN HUMAN RIGHTS COURT. EVENTS ALONG THE GDR BORDER STIMULATED THE LATTER, ONE PURPOSE OF WHICH WOULD BE TO GAIN UN FOCUS ON HUMAN RIGHTS VIOLATIONS BY COMMUNIST NATIONS AND NOT JUST WESTERN ONES AS AT PRESENT. THOUGH SOBERED BY THE FAILURE OF SIMILAR PAST EFFORTS OF ITS OWN, THE US SHOULD CONTINUE TO ENCOURAGE THE FRG. ONCE THE DETAILS HAVE BEEN PRESENTED BY THE FRG, A COORDINATED COURSE OF ACTION SHOULD BE PURSUED.

IN JANUARY THE FRG BEGINS A TWO-YEAR SECURITY COUNCIL (SC) TERM. SOLID GROUNDWORK HAS BEEN LAID IN CONTINUING BILATERAL CONSULTATIONS. TO GAIN THE OPTIMUM IN FRG SUPPORT FOR WESTERN POSITIONS WE WILL HAVE TO STRIVE FOR TIMELY CONSULTATIONS IN NEW YORK WHEN SC VOTES ARE IMMINENT. THERE IS A DANGER, IF WE CONFIDENTIAL

PAGE 11 STATE 241424

ARE UNABLE TO CONVEY DEFINITIVE US POSITIONS TO THE FRG, THAT THE GERMANS WILL BE MORE PRONE TO GO ALONG WITH THE EC POSITION OR TAKE THE LEAST CONTROVERSIAL POSITION. WE MUST BEAR IN MIND THAT HITHERTO THE FRG HAS GENERALLY BEEN ABLE TO AVOID BEING OUT IN FRONT ON MANY OF THE ISSUES WHICH CUSTOMARILY BESET THE WEST IN THE SC. OUR DEALING WITH THE FRG SHOULD BE GUIDED BY

THE GOAL OF GAINING THE NOT INCONSEQUENTIAL SUPPORT OF THE FRG AS OFTEN AS POSSIBLE.

7. FRG DOMESTIC SCENE: IN A VERY SHORT TIME THE GERMAN ELECTORATE WILL HAVE DECIDED BETWEEN WHAT CAN BE TERMED TWO DIFFERENT STYLES OF LEADERSHIP, I.E. THE INTERNATIONAL FIGURE OF ECONOMIC EXPERT SCHMIDT AND THE MORE INTROSPECTIVE HELMUT KOHL. ALTHOUGH THE ABSENCE OF SCHMIDT ON THE WORLD STAGE WOULD BE TANTAMOUNT TO A LESS OPENLY ACTIVE ROLE FOR THE FRG, ITS BASIC STRENGTH AND INTEREST WOULD REMAIN. AS THE EMBASSY RECENTLY

SUCCINCTLY REPORTED, "THE DIFFERENCE BETWEEN A KOHL GOVERNMENT AND THE PRESENT GOVERNMENT IS MORE LIKELY TO BE ONE OF STYLE AND EMPHASIS THAN SUBSTANCE." (BONN 14579) REGARDLESS OF WHO WINS ON OCTOBER 3, WE SHOULD SCRUTINIZE THE RESULTS FOR INDICATIONS OF ANY GERMAN VOTER ENDORSEMENT OF--OR WARINESS TOWARD-- A MORE ACTIVE WORLD ROLE.

REPORTING FROM EMBASSY BONN AND THE CONSTITUTENT POSTS, THE STEADY STREAM OF VISITORS TO THE US REPRESENTING ALL FOUR MAJOR POLITICAL PARTIES, AND THE SENSITIVE HANDLING OF THE VISIT OF HELMUT KOHL ALL DEMONSTRATE

THAT OFFICIAL RELATIONS WITH THESE PARTIES ARE
FORTUNATELY EXCELLENT. IT SHOULD CONTINUE TO BE USG
POLICY TO CULTIVATE AND MAINTAIN A MEANINGFUL DIALOG
WITH ALL THE MAJOR DEMOCRATIC ELEMENTS IN GERMAN
POLITICAL LIFE.

MARKED BY SUBSTANTIAL RECOVERY FROM THE RECESSION,
THE PAST YEAR ALSO BROUGHT WITH IT SIGNIFICANT
DEVELOPMENT IN US-FRG ECONOMIC RELATIONS, INCLUDING
CONFIDENTIAL

PAGE 12 STATE 241424

THE FIRST POSTWAR YEAR IN WHICH NEW GERMAN INVESTMENT
IN THE US EXCEEDED OURS IN THE FRG. ALSO NOTEWORTHY
WAS LABOR'S ENDORSEMENT OF THE VOLKSWAGEN PLAN TO
PRODUCE CARS IN THE US. THESE ARE SIGNS OF A
DEEPENING ECONOMIC RELATIONSHIP.

AT THE SAME TIME, WE MUST CONTINUE TO CONSULT CLOSELY
WITH THE FRG ON TRADE AND MONETARY MATTERS. WHILE
VIEWS ON FLEXIBLE EXCHANGE RATES, IMF POLICY, AND THE
NORTH-SOUTH FINANCIAL PICTURE ARE VERY CLOSE, THE
FRG STILL HARBORS SUSPICIONS OVER "PROTECTIONIST"
US TRADE POLICIES WHICH THEIR PRESENT BILATERAL TRADE
"DEFICIT" WITH US MAY WELL ABET. IT IS UNFORTUNATE
THAT THE AMICABLE SETTLEMENT OF THE AUTOMOBILE
ANTI-DUMPING CASE HAS NOW BEEN FOLLOWED BY AN ANTI-TRUST
INVESTIGATION OF THE AUTOMOBILE INDUSTRY WHICH WILL
AGAIN INCLUDE GERMAN CAR MANUFACTURERS. TO THE EXTENT

THAT THE FRG HAS DOUBTS OVER "PROTECTIONISM" HERE, IT
IS LESS WILLING TO HELP RECONCILE US-EC TRADE DISPUTES,
OF WHICH THERE IS NO DEARTH. IT BEHOOVES THE US TO
REASSURE THE FRG BY WORD AND DEED THAT OUR POLICY
FAVORING LIBERALIZED WORLD TRADE DOES NOT HAVE SERIOUS
FLAWS WHERE THE FRG AND EC ARE CONCERNED.

WE HAVE DEVELOPED SHARED PERCEPTIONS WITH GERMAN
OFFICIALS ON THE NEED FOR BUILDING LONG-TERM INTERACTION
BETWEEN GERMANS AND AMERICANS AT ALL LEVELS. EVIDENCE
OF THIS SIMILARITY OF VIEW WAS CONTAINED IN THE REPORT
OF THE BUNDESTAG'S SPECIAL COMMISSION ON EDUCATIONAL

AND CULTURAL RELATIONS AS WELL AS IN FREQUENT CONTACTS
WITH GERMAN LEADERS IN THESE FIELDS. THESE SHARED
PERCEPTIONS SHOULD BE STRENGTHENED THROUGH FREQUENT
INTERCHANGE OF VIEWS AT VARIOUS LEVELS.

PART OF GERMANY'S "COMING OF AGE" IS SYNONYMOUS WITH
GENERATIONAL CHANGE AND THE DECLINE OF GERMAN
FEELINGS OF MORAL INFERIORITY VIS-A-VIS THE US AND
THE OTHER WESTERN DEMOCRACIES. EMBASSY REPORTING ON
THIS PHENOMENON AND SUGGESTIONS FOR DEALING WITH IT

CONFIDENTIAL

PAGE 13 STATE 241424

HAVE BEEN MOST USEFUL. WITH THE DISTORTED VIEWS OF THE
US THAT THE VIETNAM WAR BROUGHT FOR SOME GERMANS NOW

ABATED, THERE IS LITTLE IMPEDIMENT TO IMPROVING OUR
DIALOG WITH YOUNGER GERMANS AND OFFERING THEM GREATER
OPPORTUNITY TO UNDERSTAND OUR COUNTRY AND WHY US-FRG
TIES ARE SO CRUCIAL. UNLESS THIS IS DONE, THE ALLUSION--
PRESENTLY JUSTIFIED--TO OUR RELATIONS' NEVER HAVING
BEEN BETTER WILL COME BACK TO HAUNT US. THE RECENT
VISIT OF YOUNG SOCIALIST AND YOUNG FREE DEMOCRAT LEADERS
AND GERMAN TRADE UNION FEDERATION YOUTH TEAMS ARE STEPS
IN THE RIGHT DIRECTION AND MERIT EXPANDED FOLLOW-UP OVER
THE NEAR TERM.

OFFICIAL AMERICAN CIVILIAN AND MILITARY PERSONNEL IN THE
FEDERAL REPUBLIC ARE TO BE CONGRATULATED FOR THE YEOMAN
SERVICE THEY HAVE RENDERED IN ASSISTING THE GERMAN
COMMEMORATION OF OUR BICENTENNIAL. THIS CANNOT HELP
BUT PAY FUTURE DIVIDENDS BY REINFORCING THE DEPTH OF
OUR RELATIONSHIP AND EXTENT OF MUTUALLY SHARED IDEALS.
ROBINSON

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 16 SEP 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, INTELLIGENCE ASSESSMENTS, FORM OF GOVERNMENT
Control Number: n/a
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Disposition Authority: CunninFX
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Review Authority: CunninFX
Review Comment: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FEDERAL REPUBLIC OF GERMANY: US POLICY GUIDELINES
TAGS: PFOR, PGOV, GE, US
To: BONN INFO ALL EUROPEAN DIPLOMATIC POSTS
BREMEN
DUSSELDORF
FRANKFURT
HAMBURG
MUNICH

STUTTGART
USCINCEUR
CINCUSAREUR
CINCUSAFE
USNMR SHAPE

Type: TE

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